

Consideration of Comments on Second Posting of SAR and FAC-010-2, FAC-011-2, FAC-014-2 for Order 705

The drafting team working on the modifications to FAC-010-1, FAC-011-1, and FAC-014-1 to comply with Order 705 thanks all commenters who submitted comments on the revised SAR and associated proposed modifications to the following standards:

FAC-010 — System Operating Limits Methodology for the Planning Horizon

FAC-011 — System Operating Limits Methodology for the Operations Horizon

FAC-014 — Establish and Communicate System Operating Limits.

This SAR and associated standards were posted for a 30-day public comment period from March 31 through April 29, 2008. The drafting team asked stakeholders to provide feedback on the standard through a special Standard Comment Form. There were 13 sets of comments, including comments from more than 60 different people from more than 45 companies representing 8 of the 10 Industry Segments as shown in the table on the following pages.

The drafting team made only clarifying edits to the documents, based on stakeholder comments. Based on the comments received, the drafting team is recommending that the Standards Authorization Committee authorize moving the standards forward to ballot.

In this 'Consideration of Comments' document stakeholder comments have been organized so that it is easier to see the responses associated with each question. All comments received on the SAR can be viewed in their original format at:

http://www.nerc.com/~filez/standards/Facility_Ratings_Project_2008-04.html

If you feel that your comment has been overlooked, please let us know immediately. Our goal is to give every comment serious consideration in this process! If you feel there has been an error or omission, you can contact the Vice President and Director of Standards, Gerry Adamski at 609-452-8060 or at gerry.adamski@nerc.net. In addition, there is a NERC Reliability Standards Appeals Process.¹

¹ The appeals process is in the Reliability Standards Process Manual: <http://www.nerc.com/standards/newstandardsprocess.html>.

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Commenter	Company	Industry Segments									
		1	2	3	4	5	6	7	8	9	10
Anita Lee	AESO		x								
John Sullivan (G3)	Ameren	x									
Jason Shaver	ATC	x									
Chris Bradley (G2)	Big Rivers Electric Cooperative	x		x							
Brent Kinsford	CAISO		x								
Danny McDaniel (G4)	CLECO	x		x		x					
Ed Thompson (G1)	Consolidated Edison Co. of New York	x									
Michael Gildea (G1)	Constellation Energy								x		
Ron Hart (G1)	Dominion Resources, Inc.							x			
Jack Kerr (G2)	Dominion Virginia Power			x		x		x			
Louis Slade (G2)	Dominion Virginia Power										
Greg Rowland (G2)	Duke Energy - Carolinas	x		x							
Brian Berkstresser (G4)	Empire District Electric	x		x		x					
Ed Davis	Entergy	x									
Steve Myers	ERCOT										x
Dave Folk	FirstEnergy	x		x		x		x			
Doug Hohlbaugh	FirstEnergy	x		x		x		x			
Sam Ciccone	FirstEnergy	x		x		x		x			
Wayne Pourciau (G2)	Georgia System Operations Corp.	x		x							
Ross Kovacs (G2)	Georgia Transmission Corp.	x									
David Kiguel (G1) (I)	Hydro One Networks, Inc.	x									
Roger Champagne (G1)	Hydro-Quebec TransEnergie		x								
Sylvain Clermont (G1)	Hydro-Quebec Trans-Energie	x									

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Commenter	Company	Industry Segments										
		1	2	3	4	5	6	7	8	9	10	
Ron Falsetti (G5) (G1)	Independent Electricity System Operator		x									
Kathleen Goodman (G1)	ISO - New England		x									
Matt Goldbery	ISO-NE		x									
Mike Gammon (G4)	Kansas City Power and Light	x		x		x						
Dan Jewell (G2)	Louisiana Generating, LLC	x		x	x							
Don Nelson (G1)	Massachusetts Dept. of Public Utilities											x
Scott Goodwin (G2) (G3)	Midwest ISO		x									
Bill Phillips	MISO		x									
Nabil Hitti (G1)	National Grid				x							
Michael Schiavone (G1)	National Grid US	x										
Randy MacDonald (G1)	New Brunswick System Operator		x									
William DeVries (G1)	New York Independent System Operator		x									
Ralph Rufrano (G1)	New York Power Authority	x										
Guy Zito (G1)	NPCC											x
Lee Pedowicz (G1)	NPCC											x
Jim Castle	NYISO		x									
Don Hargrove (G4)	Oklahoma Gas & Electric	x		x		x						
John Mayhan	OPPD	x										
Patrick Brown	PJM		x									
Mike Bryson (G2)	PJM Interconnection		x									
Rick White	Northeast Utilities	x										
Sara McCoy	Salt River Project	x		x		x	x					
Phil Kleckley (G3)	SC Electric and Gas			x								
Carter Edge (G2)	SERC											x

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Commenter	Company	Industry Segments										
		1	2	3	4	5	6	7	8	9	10	
John Troha (G2)	SERC											x
Pat Huntley (G3)	SERC											x
Jim Griffith (G2)	Southern Company	x		x								
Marc Butts (G2)	Southern Company	x		x								
Bob Jones (G3)	Southern Company Services	x										
Jason Smith (G4)	Southwest Power Pool											x
Robert Rhodes (G4)	Southwest Power Pool											x
Charles Yeung	Southwest Power Pool											x
Kyle McMenemy (G4)	Southwestern Public Service	x		x		x						
Donald Drum (G2)	Tennessee Valley Authority	x		x								x
Joel Wise (G2)	Tennessee Valley Authority	x		x								x
Travis Sykes (G3)	Tennessee Valley Authority	x										
Walter Joly (G2)	Tennessee Valley Authority	x		x								x
Allen Klassen (G4)	Westar Energy	x		x		x						

Legend:

- G1 – NPCC Regional Standards Committee, RSC
- G2 – SERC OC Standards Review Group
- G3 - SERC EC Planning Standards Subcommittee
- G4 - SPP Operating Reliability Working Group
- G5 - IRC Standards Review Committee

I – indicates this person submitted individual comments in addition to the identified group comments

Question 1 – Several stakeholders indicated that the Assess Transmission Future Needs SDT working on revisions to the “TPL” series of standards has proposed a NERC definition of “Consequential Load Loss.” Because Order 705 did not direct NERC to include this footnote in FAC-010 and FAC-011, and because NERC has already made a commitment to modify the ATC-related standards to align with the TPL standards when they are revised, the drafting team has elected to remove the footnote from the revised standards. Do you agree with this change?

Summary Consideration:

Most commenters supported this change.

Entergy	No	We suggest the TPL series of standards and these FC standards should be properly aligned at the appropriate time.
Response: The proposal is to allow the drafting team working on the TPL standards to refine the definition, with stakeholders, and then to make conforming changes (through the TPL implementation plan) to the FAC standards.		
NPCC RSC	Yes	This term is not in the Board of Trustee's approved versions so we are not clear on the basis of this change. In any event, we concur that references to this term, if any, should be removed pending outcome of the TPL standard development.
Response: Thank you for your support of the drafting team's suggestion. In the first draft of the proposed revisions to FAC-011-2, the drafting team had proposed adding the term in a footnote associated with R2.3.		
Northeast Utilities	Yes	This term is not in the Board of Trustee's approved versions so we are not clear on the basis of this change. In any event, we concur that references to this term, if any, should be removed pending outcome of the TPL standard development.
Response: Thank you for your support of the drafting team's suggestion. In the first draft of the proposed revisions to FAC-011-2, the drafting team had proposed adding the term in a footnote associated with R2.3.		
IESO	Yes	This term is not in the Board of Trustee's approved versions so we are not clear on the basis of this change. In any event, we concur that references to this term, if any, should be removed pending outcome of the TPL standard development.
Response: Thank you for your support of the drafting team's suggestion. In the first draft of the proposed revisions to FAC-011-2, the drafting team had proposed adding the term in a footnote associated with R2.3.		
IRS SRC	Yes	This term is not in the Board of Trustee's approved versions so we are not clear on the basis of this change. In any event, we concur that references to this term, if any, should be removed pending outcome of the TPL standard development.
Response: Thank you for your support of the drafting team's suggestion. In the first draft of the proposed revisions to FAC-		

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011-2, the drafting team had proposed adding the term in a footnote associated with R2.3.		
SERC EC PSS	Yes	Please remove the reference to footnote in R2.3 in FAC-010 and 011.
Response: The erroneous references to the deleted footnote have been removed as proposed from both FAC-010 and FAC-011.		
FirstEnergy	Yes	The standards as proposed still show the superscript no. 2 for this removed footnote in R2.3.
Response: The erroneous references to the deleted footnote have been removed as proposed from both FAC-010 and FAC-011.		
OPPD	Yes	However, in both FAC-010 and FAC-011, the superscript "2" at the end of R2.3 needs to be removed.
Response: The erroneous references to the deleted footnote have been removed as proposed from both FAC-010 and FAC-011.		
ATC	Yes	ATC agrees with this decision.
Response: Thank you for your support of the drafting team's suggestion.		
Hydro One Networks, Inc.	Yes	
SERC OC SRG	Yes	
SPP ORWG	Yes	

Question 2 - Do you agree with the Violation Severity Levels proposed for FAC-010?

Summary Consideration:

Most commenters disagreed with the proposed VSLs for R1 and R2, based on an assumption that all of the subrequirements within each requirement in FAC-010-2 are of equal weight. VSLs identify categories of noncompliant performance associated with each requirement. Note that VSLs come into use after a violation has already occurred – the VSLs need to be set up so that the degree of violation identified fits with one of the VSLs.

When the drafting team proposed VSLs, they used the following thought process:

The intent of each requirement should be addressed in total – because the individual subrequirements, by themselves, don't reflect the deliverable product or process that is the intent of the requirement. Each subrequirement contributes to the overall requirement, but has little value by itself. For some requirements, there are several subrequirements, and each subrequirement is of equal, or near equal weight in contributing to the achievement of the overall requirement. These requirements can have VSLs assigned using the "Multi-component" methods in the VSL Guidelines. Where the subrequirements are not of equal weight, the use of the Multi-component method of assigning VSLs does not support the intent of appropriately dividing the categories of noncompliant performance.

Stakeholders proposed using the multi-component method of assigning VSLs for Requirement R1, and R2 and the drafting team provides the following reasoning for leaving the VSLs as they are:

Requirement 1 - There are three subrequirements for R1 – to be applicable for use in the planning horizon (R1.1) to state that SOLs shall not exceed Facility Ratings (R1.2) and to include a description of how to identify IROLs (R1.3).

The drafting team felt that of these three subrequirements, if R1.2 were missing, it would still be possible to have a technically sound methodology – in other words, the methodology may meet the intent of this subrequirement without specifically including the statement in the methodology.

The drafting team also felt that the methodology may be useful, albeit incomplete, if it did not include a method of identifying the subset of SOLs that are IROLs – thus the classification of a "High" VSL.

However, if the methodology is not suitable for use in the planning horizon, it has no use to the Planning Authority and has totally failed to meet the intent of the requirement – thus the classification of a "Severe" VSL.

Requirement 2 – There are six subrequirements for R2 – R2.1 identifies performance in the pre-contingency state – R2.2 and R2.3 and R2.4 address single contingencies – and R2.5 and R2.6 address multiple contingencies. From a planning perspective, if the methodology is missing one of these three topical areas, then missing the pre-contingency state is the least severe, and missing the single contingencies is the most severe because the single contingencies are the most prevalent.

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If the methodology does not address system performance in the pre-contingency state, but does address system performance following one or more contingencies, then this is not as severe as having a methodology that doesn't address single contingencies or multiple contingencies. Similarly, if the methodology does address single contingencies but is missing multiple contingencies, this is not rated as severe as missing the single contingencies. The SOLs based on contingencies are generally more conservative than those based on precontingency conditions.

NPCC Regional Standards Committee, RSC	No	<p>R1: The progressive levels should not be dependent on which one of the 3 sub-requirements is violated since by doing so, the "impact" factor is included. In accordance with the VSL guideline, progressive VSLs should simply be dependent on how many or the percentage of those sub-requirements not met. For example, if the SOL Methodology missed one of the three, then the VSL is a Medium, 2/3 a High, and 3/3 a Severe.</p> <p>R2: Similar comments as in R1 but this one is a bit more complicated. We are unable to provide a simple example on the determination of the progressive violation level. Suggest the SDT to review and revise these levels, giving consideration to changing the sub-requirements that can better facilitate the development of VSLs.</p> <p>R3 to R5: Agreed. The approach taken for these requirements should be the basis for developing the VSLs for R1 and R2.</p>
<p>Response: The drafting team did not modify the VSLs as proposed because the subrequirements are not all of equal weight. Please see the summary consideration above.</p>		
SERC OC Standards Review Group	No	<p>The "Severe" Violation Severity Level for R3 overlaps the "High" Violation Severity Level. The word "three" should be replaced with "four" to prevent this overlap, i.e., The Planning Authority has a methodology for determining SOLs that is missing a description of "four" or more of the following: R3.1 through R3.6 Under the "Moderate" Violation Severity Level for R4 (first line), the word "or" should be changed to "of".</p>
<p>Response: Agreed – the proposed correction was made to eliminate this overlap.</p>		
SERC EC Planning Standards Subcommittee	Yes	<p>The VSL for R4 should read "One of the following."</p>
<p>Response: Agreed – the proposed correction was made.</p>		

<p>SPP Operating Reliability Working Group</p>	<p>No</p>	<p>We find it difficult to determine which of the subrequirements is more critical than the other in R1. Therefore we suggest the SDT change the VSLs to something like the following: The Planning Authority has a documented SOL Methodology but is missing one of the subrequirements. This would be assigned the Lower category. Then, substitute two subrequirements for one and assign a Moderate category. Finally, substitute three subrequirements for one and assign a Higher category. We would suggest removing the first paragraph (above the 'or') in the Severe category. For R2, we suggest rewording the VSLs to make them similar to the VSLs for R3. As written, the VSLs imply that one of the subrequirements is more important than another. The Severe VSL for R3 should be changed to read 'four or more of the following.'</p> <p>The VSLs for R4 add an additional requirement to R4 by stipulating a specific time reference for the requirement. We would suggest eliminating the timing aspects and revise the VSLs to parallel what we proposed for the VSLs for R1.</p> <p>For R5, delete the phrase 'but less than 60 calendar days.' from the Lower VSL. We would suggest the following language for the Moderate category: 'The Planning Authority in their response did not include statements regarding changes or no changes to their SOL methodology.' Delete the first paragraph (above the 'or') of the VSL in the Higher category and keep the second paragraph (below the 'or'). Change the Severe category to the following: 'The Planning Authority failed to respond.'</p>
<p>R1 – Please see the summary consideration. R2 – Please see the summary consideration. R4 – The requirement states that the distribution must take place, “prior to the effectiveness of the change”. This is a “timing” component that was carried over to the VSLs so that if the distribution hasn’t taken place before the change, but did take place, there is a category of VSL to capture the noncompliant performance. R5 – The drafting team considered using the phrase, “The Planning Authority failed to respond” but envisioned the situation where the auditor requests evidence of a response, and the entity claims that the response is under development but hasn’t been completed and delivered – the outer boundary of 90 calendar days was intended to clarify that if the response hasn’t been provided within 90 days, then it can be considered to have not been provided.</p>		
<p>Northeast Utilities</p>	<p>No</p>	<p>R1: The progressive levels should not be dependent on which one of the 3 sub-requirements is violated since by doing so, the "impact" factor is included. In accordance with the VSL guideline, progressive VSLs should simply be dependent on how many or the percentage of those sub-requirements not met. For example, if the SOL Methodology missed one of the three, then the VSL is a Medium, 2/3 a High, and 3/3 a Severe.</p>

		R2: Similar comments as in R1 but this one is a bit more complicated. We are unable to provide a simple example on the determination of the progressive violation level. Suggest the SDT to review and revise these levels, giving consideration to changing the sub-requirements that can better facilitate the development of VSLs.R3 to R5: Agreed. The approach taken for these requirements should be the basis for developing the VSLs for R1 and R2.
<p>Response: The drafting team did not modify the VSLs as proposed because the subrequirements are not all of equal weight.</p> <p>Please see the summary consideration above.</p>		
Ontario IESO	No	R1: The progressive levels should not be dependent on which one of the 3 sub-requirements is violated since by doing so, the "impact" factor is included. In accordance with the VSL guideline, progressive VSLs should simply be dependent on how many or the percentage of those sub-requirements not met. For example, if the SOL Methodology missed one of the three, then the VSL is a Medium, 2/3 a High, and 3/3 a Severe.R2: Similar comments as in R1 but this one is a bit more complicated. We are unable to provide a simple example on the determination of the progressive violation level. Suggest the SDT to review and revise these levels, giving consideration to changing the sub-requirements that can better facilitate the development of VSLs.R3 to R5: Agreed. The approach taken for these requirements should be the basis for developing the VSLs for R1 and R2.
<p>Response: The drafting team did not modify the VSLs as proposed because the subrequirements are not all of equal weight.</p> <p>Please see the summary consideration above.</p>		
IRC Standards Review Committee	No	R1: The progressive levels should not be dependent on which one of the 3 sub-requirements is violated since by doing so, the "impact" factor is included. In accordance with the VSL criteria guideline document, progressive (graded) VSLs should be made dependent on how many or the percentage of the sub-requirements not met. For example, if the SOL Methodology missed one of the three, then the VSL is a Medium, 2/3 a High, and 3/3 a Severe, etc.R2: Similar comments as in R1 but this one is a bit more complicated. We are unable to provide a simple example on the determination of the progressive (graded) VSLs. We suggest the SDT to review and revise these levels, giving consideration to changing the sub-requirements that can better facilitate the development of VSLs.R3 to R5: We agree with these VSLs. The approach taken for these requirements should be the basis for developing the VSLs for R1 and R2.
<p>Response: The drafting team did not modify the VSLs as proposed because the subrequirements are not all of equal weight. The focus is on the contribution of each of the subrequirements in achieving the objective of the requirement. If the methodology is not suitable for use in the planning horizon, then the methodology totally misses the objective of the</p>		

<p>requirement – whereas if the methodology includes everything but a statement relative to respecting Facility Ratings, then the methodology is incomplete, but the requirement has been partially met. Please see the summary consideration above.</p>		
Entergy	No	We suggest the removal of the term "outage" from FAC-010-2 R2.2.
<p>Response: Agreed – the proposed correction was made.</p>		
Hydro One Networks, Inc.	No	<p>The VSLs for requirement R1 should weigh all violations of the 3 sub-requirements equally. For example, missing one of the three sub-requirements in the SOL methodology should result in a Medium VSL, missing two of three should result in a High VSL and missing all three should result in a Severe VSL and maintain having no SOL methodology as Severe.</p> <p>We agree with VSLs for requirements R2 and R3 however we find the VSL for R4 overly complex. We suggest HIGH: One of the following: (1)The Planning Authority failed to issue its SOL methodology and changes to that methodology to one of the required entities or (2) For a change in methodology, the changed methodology was issued after the effectiveness of the change but up to 30 calendar days after the effectiveness.</p> <p>SEVERE: One of the following: (1)The Planning Authority failed to issue its SOL Methodology and changes to that methodology to more than one of the required entities or (2) For a change in methodology, the changed methodology was issued 30 calendar days or more after the date of effectiveness of the change.</p>
<p>Response: R1 – Please see the summary consideration above. The subrequirements are not of equal weight in contributing to the achievement of the requirement. R4 - The proposed modifications would limit the variations in noncompliant performance that were identified in the set of VSLs. The drafting team had attempted to identify a full range of possible categories of noncompliant performance that uses as many of the four VSLs as practical.</p>		
ATC	No	<p>The ranking of the R1 levels should be lowered and the typographical error in R3 should be corrected.</p> <p>R1: Move omission of R1.2 (facility rating statement) from Moderate to Lower. Move omission of R1.3 (IROL description) from High to Moderate. Move omission of R1.1 (applicable to planning horizon SOLs) from Severe to High. Add omission of all three requirements to the Severe Level.</p>

		R3: Correct typographical error in Severe Level text from "three or more" to "four or more"
<p>Response:</p> <p>R1 – No justification has been provided for lowering the VSLs. Please see the summary consideration for the drafting team's reasoning in assigning the VSLs. If the methodology is not suitable for use in the planning horizon, it has no value and the intent of the requirement has been totally missed – meeting the criteria for a "Severe" VSL.</p> <p>R3 - Agreed – the proposed correction to R3 was made.</p>		
FirstEnergy	Yes	

Do you agree with the Violation Severity Levels proposed for FAC-011?

Summary Consideration:

Most commenters indicated disagreement with the proposed VSLs – some pointed out typographical errors which have been corrected – others disagreed with the method of assigning VSLs and proposed using the Multi-component method of assigning VSLs. The drafting team did not adopt the Multi-component method of assigning VSLs, because the Multi-component method is only applicable when all subrequirements were of equal weight in contributing to the achievement of the requirement. Note that VSLs come into use after a violation has already occurred – the VSLs need to be set up so that the degree of violation identified fits with one of the VSLs.

When the drafting team proposed VSLs, they used the following thought process:

The intent of each requirement should be addressed in total – because the individual subrequirements, by themselves, don't reflect the deliverable product or process that is the intent of the requirement. Each subrequirement contributes to the overall requirement, but has little value by itself. For some requirements, there are several subrequirements, and each subrequirement is of equal, or near equal weight in contributing to the achievement of the overall requirement. These requirements can have VSLs assigned using the "Multi-component" methods in the VSL Guidelines. Where the subrequirements are not of equal weight, the use of the Multi-component method of assigning VSLs does not support the intent of appropriately dividing the categories of noncompliant performance.

Stakeholders proposed using the multi-component method of assigning VSLs for Requirement R1, and R2 and the drafting team provides the following reasoning for leaving the VSLs as they are:

Requirement 1 - There are three subrequirements for R1 – to be applicable for use in the operations horizon (R1.1) to state that SOLs shall not exceed Facility Ratings (R1.2) and to include a description of how to identify IROLs (R1.3).

The drafting team felt that of these three subrequirements, if R1.2 were missing, it would still be possible to have a technically sound methodology – in other words, the methodology may meet the intent of this subrequirement without specifically including the statement in the methodology.

The drafting team also felt that the methodology may be useful, albeit incomplete, if it did not include a method of identifying the subset of SOLs that are IROLs – thus the classification of a "High" VSL.

However, if the methodology is not suitable for use in the operations horizon, it has no use to the Reliability Coordinator and has totally failed to meet the intent of the requirement – thus the classification of a "Severe" VSL.

Requirement 2 – There are four subrequirements for R2 – R2.1 identifies performance in the pre-contingency state – R2.2 and R2.3 and R2.4 address single contingencies. From an operations perspective, if the methodology is missing one of these

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two topical areas, then missing the pre-contingency state is the least severe, and missing the single contingencies is the most severe because the single contingencies are the most prevalent.

NPCC Regional Standards Committee, RSC	No	The structure of FAC-011 closely resembles that of FAC-010, hence, the same comments as in Q2 on R1 and R2, above apply (i.e. progressive versus impact factor). However, R3 is slightly different as it has 7 sub-requirements rather than 6 as in the case of FAC-010. Failing 1/7 is <25%, 2-3/7 < 50%, 4-5 <75% and 6-7 >75%. This would make a slight difference in the Medium, High and Severe levels. Please consider revising them. Mathematical methods can be applied to sub-requirements only if each sub-requirement is deemed to be of equal importance. If not, and the sub-requirements have different levels of importance, then some consideration should be given to the order in which they are employed in the mathematical formula.
<p>R1 – Please see the summary consideration above. The subrequirements are not of equal weight in contributing to the achievement of the requirement.</p> <p>R2 – Please see the summary consideration above. The subrequirements are not of equal weight in contributing to the achievement of the requirement.</p>		
Northeast Utilities	No	The structure of FAC-011 closely resembles that of FAC-010, hence, the same comments as in Q2 on R1 and R2, above apply (i.e. progressive versus impact factor). However, R3 is slightly different as it has 7 sub-requirements rather than 6 as in the case of FAC-010. Failing 1/7 is <25%, 2-3/7 < 50%, 4-5 <75% and 6-7 >75%. This would make a slight difference in the Medium, High and Severe levels. Please consider revising them. Mathematical methods can be applied to sub-requirements only if each sub-requirement is deemed to be of equal importance. If not, and the sub-requirements have different levels of importance, then some consideration should be given to the order in which they are employed in the mathematical formula.
<p>R1 – Please see the summary consideration above. The subrequirements are not of equal weight in contributing to the achievement of the requirement.</p> <p>R2 – Please see the summary consideration above. The subrequirements are not of equal weight in contributing to the achievement of the requirement.</p>		
Ontario IESO	No	The structure of FAC-011 closely resembles that of FAC-010, hence, the same comments as in Q2 on R1 and R2, above apply (i.e. progressive versus impact factor). However, R3 is slightly different as it has 7 sub-requirements rather than 6 as in the case of FAC-010. Failing 1/7 is <25%, 2-3/7 < 50%, 4-5 <75% and 6-7 >75%. This would make a slight difference in the Medium, High and Severe levels. Please consider revising them.
<p>R1 – Please see the summary consideration above. The subrequirements are not of equal weight in contributing to the achievement of the requirement.</p> <p>R2 – Please see the summary consideration above. The subrequirements are not of equal weight in contributing to the</p>		

achievement of the requirement.		
IRC Standards Review Committee	No	The structure of FAC-011 closely resembles that of FAC-010, hence, the same comments as in Q2 on R1 and R2, above apply (i.e. progressive (graded) versus impact factor). However, R3 is slightly different as it has 7 sub-requirements rather than 6 as in the case of FAC-010. Failing 1/7 is <25%, 2-3/7 < 50%, 4-5 <75% and 6-7 >75%. This would make a slight difference in the Medium, High and Severe levels. Please consider revising them.
<p>R1 – Please see the summary consideration above. The subrequirements are not of equal weight in contributing to the achievement of the requirement.</p> <p>R2 – Please see the summary consideration above. The subrequirements are not of equal weight in contributing to the achievement of the requirement.</p> <p>R3 – The format of the VSLs in the proposed standard is less complex than the proposed use of percentages. Percentages are most applicable when there are large quantities being measured – in this case, there are only 7 elements required – and the use of whole numbers rather than fractions is simpler.</p>		
SERC OC Standards Review Group	No	The headings for the Violation Severity Levels are missing from the table. Under the "Severe" Violation Severity Level for R2, the word "either" should be deleted from the sentence. Under the "Severe" Violation Severity Level for R4, the reference to "Planning Authority" should be replaced with "Reliability Coordinator".
<p>Response: The headings have been added to the VSL table as noted.</p> <p>The word, "either" was removed from the Severe VSL for R2 as noted. The title, "Planning Authority" was replaced with "Reliability Coordinator" as noted in the Severe VSL for R4.</p>		
SPP Operating Reliability Working Group	No	<p>We again find it difficult to determine which of the subrequirements is more critical than the other in R1. Therefore we suggest the SDT change the VSLs to something like the following: The Reliability Coordinator has a documented SOL Methodology but is missing one of the subrequirements. This would be assigned the Lower category. Then, substitute two subrequirements for one and assign a Moderate category. Finally, substitute three subrequirements for one and assign a Higher category. We would suggest removing the first paragraph (above the 'or') in the Severe category.</p> <p>For R2, we suggest rewording the VSLs to make them similar to the VSLs for R3. As written, the VSLs imply that one of the subrequirements is more important than another. The Severe VSL should for R3 should be changed to read '?four or more of the following:'</p> <p>The VSLs for R4 add an additional requirement to R4 by stipulating a specific time reference for the requirement. We would suggest eliminating the timing aspects and revise the VSLs to parallel what we proposed for the VSLs for R1.</p> <p>Change the VSLs for R5 to match those we proposed in R5 of FAC-010 except replace Planning Authority with Reliability Coordinator</p>
<p>Response: Please see the summary consideration above for the drafting team's reasoning in giving different "weight" to certain R1 and R2 subrequirements.</p>		

Consideration of Comments on Second Posting of SAR and FAC-010-2, FAC-011-2, FAC-014-2 for Order 705

<p>The typographical error in the Severe VSL for R3 was corrected and “three” was changed to “four” as noted.</p> <p>R4 – The requirement states that the distribution must take place, “prior to the effectiveness of the change”. This is a “timing” component that was carried over to the VSLs so that if the distribution hasn’t taken place before the change, but did take place, there is a category of VSL to capture the noncompliant performance.</p> <p>R5 – The drafting team considered using the phrase, “The Reliability Coordinator failed to respond” but envisioned the situation where the auditor requests evidence of a response, and the entity claims that the response is under development but hasn’t been completed and delivered – the outer boundary of 90 calendar days was intended to clarify that if the response hasn’t been provided within 90 days, then it can be considered to have not been provided.</p>		
Entergy	No	Order 705 contains comments about removing the term "load greater than studied", or address FERC's concerns with the use of the term. It seems the term is still in the standard and we think FERC's concerns have not been addressed. Please remove the term or address FERC's concerns.
<p>Response: Agreed – the drafting team removed the example from R2.3.2 as proposed.</p>		
Hydro One Networks, Inc.	No	<p>We agree with VSLs for requirements R1, R3 and R5 however we find the VSL for R4 overly complex.</p> <p>We suggest HIGH: One of the following: (1)The Reliability Coordinator failed to issue its SOL methodology and changes to that methodology to one of the required entities or (2) The Reliability Coordinator failed to issue its SOL methodology and changes to that methodology prior to the date of effectiveness but up to 2 days after the date of effectiveness. Here we suggest using 2 days as opposed to 30 days in FAC-010 because this is in the Operating Horizon and not the Planning Horizon. SEVERE: One of the following: (1)The Reliability Coordinator failed to issue its SOL Methodology and changes to that methodology to more than one of the required entities or (2) The Reliability Coordinator issued its SOL methodology and changes to that methodology 3 days or more after the date of effectiveness.</p> <p>As well, in the Severe VSL for R2, it is not clear the use of the word "either". We suggest deleting this word.</p>
<p>Response:</p> <p>R4 – The drafting team did not adopt the proposed revision. The proposed modifications would limit the variations in noncompliant performance that were identified in the set of VSLs. The drafting team had attempted to identify a full range of possible categories of noncompliant performance that uses as many of the four VSLs as practical. The drafting team considered the suggestion that we change the threshold for lower VSL from 30 days to 2 days – there should not be a considerable difference in operations when comparing the 2 days with the 30 days.</p> <p>The word, “either” was removed from the Severe VSL for R2 as noted.</p>		
ATC	No	<p>VSL's for R4</p> <p>FAC-011 requirement 4 specifies that the RC issue its SOL Methodology and changes to their</p>

		<p>methodology.</p> <p>Suggested Modification: Have only one VSL in the Moderate level that states the following:</p> <p>The RC did not issue its SOL Methodology or changes to its methodology to all required entities.</p> <p>We find our approach makes the VSLs for this requirement simpler to understand and determine.</p> <p>VSL's for R5</p> <p>Requirement 5 specifies that the RC has to provide documented technical comments within 45 calendar days following receipt of comments.</p> <p>Suggested Modification: Have only one VSL in the lower level that states the following:</p> <p>The RC did not provide technical comments within 45 calendar days following receipt of comments.</p>
<p>Response: The proposed modifications would limit the variations in noncompliant performance that were identified in the set of VSLs and the proposed modifications don't support the default criteria for assigning VSLs. An entity that fully misses complying with a requirement has a "Severe" violation severity level. The drafting team had attempted to identify a full range of possible categories of noncompliant performance that uses as many of the four VSLs as practical.</p> <p>An entity that does not provide a response to technical comments within 45 days of receipt is fully noncompliant according to the criteria for assigning categories of VSLs.</p>		
FirstEnergy	Yes	

Do you agree with the Violation Severity Levels proposed for FAC-014?

Summary Consideration:

Most commenters indicated disagreement with the proposed VSLs. Several stakeholders disagreed with the method of assigning VSLs and proposed using the Multi-component method of assigning VSLs. The drafting team did not adopt the Multi-component method of assigning VSLs, because the Multi-component method is only applicable when all subrequirements were of equal weight in contributing to the achievement of the requirement. Note that VSLs come into use after a violation has already occurred – the VSLs need to be set up so that the degree of violation identified fits with one of the VSLs.

When the drafting team proposed VSLs, they used the following thought process:

The intent of each requirement should be addressed in total – because the individual subrequirements, by themselves, don't reflect the deliverable product or process that is the intent of the requirement. Each subrequirement contributes to the overall requirement, but has little value by itself. For some requirements, there are several subrequirements, and each subrequirement is of equal, or near equal weight in contributing to the achievement of the overall requirement. These requirements can have VSLs assigned using the "Multi-component" methods in the VSL Guidelines. Where the subrequirements are not of equal weight, the use of the Multi-component method of assigning VSLs does not support the intent of appropriately dividing the categories of noncompliant performance.

Stakeholders proposed using the multi-component method of assigning VSLs for Requirement R1, and R2 and the drafting team provides the following reasoning for leaving the VSLs as they are:

Requirement R5: The subrequirements for R5.1 do not all provide an equal contribution in meeting the intent of the requirement. The intent of the subrequirement is to provide IROL values and associated information to the entities that need those IROL values. There are four sub-subrequirements – to provide the IROL value, to provide the IROL T_v , to provide the contingency associated with the IROL, and to identify the type of limitation (such as voltage collapse) represented with the IROL. The VSLs are set so that the failure to provide the limit or its T_v is a "Severe" violation – the failure to provide the contingency associated with the limit is a "High" VSL and the failure to identify the type of limitation is a "Moderate" VSL. If no IROL values are provided, or if the IROL values are provided without their associated T_v , the IROL values can't be used and the intent of the requirement has not been met. If the IROLs and IROL T_v s are provided, but the associated contingencies are not provided, then the limits can still be used, but they aren't as useful as they would be if the associated contingencies were identified – thus the intent of the requirement has been partially met. Similarly, if the IROLs, the IROL T_v s and the contingencies were all provided, but the type of limit wasn't identified, the IROLs could still be used – knowing the type of limit provides a more complete picture of the possible impact of exceeding the IROL, but failure to provide the type of limit is not nearly as bad as not providing the IROL values and not nearly as bad as failure to provide the associated contingencies.

Requirement R6: Several commenters suggested revising the VSLs for R6, and proposed that the intent of the requirement was to have the Planning Coordinator identify stability-related multiple contingencies. The intent of Requirement R6 is not for

the Planning Coordinator to identify the stability-related limits – the intent of this requirement is to deliver these limits to the Reliability Coordinator. If the Planning Coordinator develops the stability-related limits but never delivers them to the Reliability Coordinator, then the Reliability Coordinator does not have the limits to use in its real-time operation and the intent of the requirement is not met at all.

<p>NPCC Regional Standards Committee, RSC</p>	<p>No</p>	<p>(1) We applaud the SDT for developing progressive VSLs for R1 to R4. However, it may be very difficult for a responsible entity to report via the self-certification process absent any criteria or guideline on what 1-25%, 26-50% etc. of "inconsistency" with SOL methodology really means. This can become a dispute when the Compliance Monitor folks conduct a site audit as well. A suggestion is to establish a compliance guideline for use by the Compliance Auditor and make this guideline a/v to those required to self report on compliance. Alternatively (not preferred), the requirement is viewed as a binary type, i.e. either it is 100% consistent with the SOL methodology or be assigned a Severe VSL otherwise.</p> <p>(2) For R5, we agree with the VSLs that are based on the number of entities not provided the SOLs and the number of days missing the scheduled delivery, but we do not agree with tying the VSLs to which sub-requirements are not met (similar comments on R1 and R2 of FAC-010). Suggest the SDT to revisit this. A possible way to change this is to make VSLs progressive depending on the number of sub-requirements in R5.1 that are not met.</p> <p>(3) For R6, we see a main requirement and two mutually exclusive sub-requirements. The main requirement is the PC "identify" the subset of multiple contingencies associated with stability limits. After doing that, the PC shall provide this list to the RC. Where the PC does not have any of these identified (note that the wording in R6.2 could be misinterpreted as the PC does not go through the identification process at all), then it shall inform the RC that there is none identified. We would expect that not going through the identification process would constitute a complete violation of this requirement. Having gone through the identification exercise, failing to provide RC the list or failing to inform the RC that there are no such contingencies identified would constitute a lesser degree of violation since the PC has already met the requirement to go through the identification exercise. With this rationale, we'd expect a Low, Medium or High or even Severe for not meeting either R6.1 or 6.2, depending on the number of affected parties not provided the list or notified of none found, as opposed to determining the VSL based on which of R6.1 and R6.2 not met. In other words, R6.1 and R6.2 should be treated equally, and the level of violation would depend on the extent to which (i.e. the number of) RCs are not provided the list or informed. The Severe level assigned to not identifying the subset is proper, but it needs to have another component that's caused by a high number of RCs that did not receive a list (R6.1) or notification (R6.2).</p> <p>Response: The drafting team will research the process of developing compliance guidelines.</p>
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<p>R5 - The subrequirements for R5.1 do not all provide an equal contribution in meeting the intent of the requirement. Please see the summary consideration above.</p> <p>R6 – The intent of Requirement R6 is not for the Planning Coordinator to identify the stability-related limits – the intent of this requirement is to deliver these limits to the Reliability Coordinator. If the Planning Coordinator develops the stability-related limits but never delivers them to the Reliability Coordinator, then the Reliability Coordinator does not have the limits to use in its real-time operation and the intent of the requirement is not met at all.</p>		
<p>SERC OC Standards Review Group</p>	<p>No</p>	<p>The language for identifying the ranges of inconsistency with the RC methodologies under each severity level for each of Requirements R1 - R4 is very confusing and misleading. There is no need to state that "there are SOLs"?. because this standard would not apply if there were none. We would suggest the following language for R1 VSLs and similar language for R2 - R4 VSLs: "Lower": Up to 25% of the SOLs identified for the Reliability Coordinator Area are inconsistent with the Reliability Coordinator?s SOL Methodology. (R1) "Moderate" 26 to 50% of the SOLs identified for the Reliability Coordinator Area are inconsistent with the Reliability Coordinator?s SOL Methodology. (R1) "High": 51 to 75% of the SOLs identified for the Reliability Coordinator Area are inconsistent with the Reliability Coordinator?s SOL Methodology. (R1) "Severe": More than 75% of the SOLs identified for the Reliability Coordinator Area are inconsistent with the Reliability Coordinator?s SOL Methodology. (R1) For R3 and R4 under all VSLs, the "Planning Coordinator" should be changed to the "Planning Authority".</p> <p>Under R4 for the "High" VSL, "Reliability Coordinator" should be changed to "Planning Authority".</p>
<p>Response: The intent of each VSL is to identify a category of nonperformance that may occur. The compliance enforcement authority will review performance, and if the performance does match the required performance, then the compliance enforcement authority looks at the VSLs to see which VSL best describes the performance that was measured.</p> <p>The qualifying language surrounding the percentages used for each of the VSLs was adopted based on the "lessons learned" from the VSL drafting team. The exact language eliminates ambiguity.</p> <p>The typographical error in R4 was corrected, and "Reliability Coordinator" was changed to "Planning Authority."</p>		
<p>SPP Operating Reliability Working Group</p>	<p>No</p>	<p>The VSLs for R5 introduce a specific timing requirement that is not included in R5. This should be deleted. We find it difficult to determine which of the subrequirements is more critical than the other in R5. Therefore we suggest the SDT change the VSLs to something like the following: The responsible entity has communicated its SOL Methodology but is missing one of the subrequirements. This would be assigned the Lower category. Then, substitute two subrequirements for one and assign a Moderate category. Substitute three subrequirements for one and assign a Higher category. Finally, substitute four subrequirements for one and assign a Severe category. In R6 we suggest moving the Higher category VSL to the empty Moderate category. Move the second paragraph of the Severe category to the Higher category. Leave the first paragraph of the Severe</p>

		category as the only entry for the Severe category.
<p>Response: R5 - The requirement states that the entity requesting the limits must deliver limits to those entities that request them and provide a "a schedule for delivery of those limits." The measure requires evidence that the limits were delivered as requested. This is a "timing" component that was carried over to the VSLs so that if the distribution hasn't taken place "as scheduled," but did take place, there is a category of VSL to capture the noncompliant performance.</p>		
Northeast Utilities	No	<p>(1) We applaud the SDT for developing progressive VSLs for R1 to R4. However, it may be very difficult for a responsible entity to report via the self-certification process absent any criteria or guideline on what 1-25%, 26-50% etc. of "inconsistency" with SOL methodology really means. This can become a dispute when the Compliance Monitor folks conduct a site audit as well. A suggestion is to establish a compliance guideline for use by the Compliance Auditor and make this guideline a/v to those required to self report on compliance. Alternatively (not preferred), the requirement is viewed as a binary type, i.e. either it is 100% consistent with the SOL methodology or be assigned a Severe VSL otherwise.</p> <p>(2) For R5, we agree with the VSLs that are based on the number of entities not provided the SOLs and the number of days missing the scheduled delivery, but we do not agree with tying the VSLs to which sub-requirements are not met (similar comments on R1 and R2 of FAC-010). Suggest the SDT to revisit this. A possible way to change this is to make VSLs progressive depending on the number of sub-requirements in R5.1 that are not met.</p> <p>(3) For R6, we see a main requirement and two mutually exclusive sub-requirements. The main requirement is the PC "identify" the subset of multiple contingencies associated with stability limits. After doing that, the PC shall provide this list to the RC. Where the PC does not have any of these identified (note that the wording in R6.2 could be misinterpreted as the PC does not go through the identification process at all), then it shall inform the RC that there is none identified. We would expect that not going through the identification process would constitute a complete violation of this requirement. Having gone through the identification exercise, failing to provide RC the list or failing to inform the RC that there are no such contingencies identified would constitute a lesser degree of violation since the PC has already met the requirement to go through the identification exercise. With this rationale, we'd expect a Low, Medium or High or even Severe for not meeting either R6.1 or 6.2, depending on the number of affected parties not provided the list or notified of none found, as opposed to determining the VSL based on which of R6.1 and R6.2 not met. In other words, R6.1 and R6.2 should be treated equally, and the level of violation would depend on the extent to which (i.e. the number of) RCs are not provided the list or informed. The Severe level assigned to not identifying the subset is proper, but it needs to have another component that's caused by a high number of RCs that did not receive a list (R6.1) or notification (R6.2).</p>
<p>Response: The drafting team will research the process of developing compliance guidelines.</p>		

R5 - The subrequirements for R5.1 do not all provide an equal contribution in meeting the intent of the requirement. Please see the summary consideration above.

R6 – The intent of Requirement R6 is not for the Planning Coordinator to identify the stability-related limits – the intent of this requirement is to deliver these limits to the Reliability Coordinator. If the Planning Coordinator develops the stability-related limits but never delivers them to the Reliability Coordinator, then the Reliability Coordinator does not have the limits to use in its real-time operation and the intent of the requirement is not met at all.

Ontario IESO	No	<p>(1) We applaud the SDT for developing progressive VSLs for R1 to R4. However, it may be very difficult for a responsible entity to report via the self-certification process absent any criteria or guideline on what 1-25%, 26-50% etc. of "inconsistency" with SOL methodology really means. This can become a dispute when the Compliance Monitor folks conduct a site audit as well. A suggestion is to establish a compliance guideline for use by the Compliance Auditor and make this guideline a/v to those required to self report on compliance. Alternatively (nor preferred), the requirement is viewed as a binary type, i.e. either it is 100% consistent with the SOL methodology or be assigned a Severe VSL otherwise.</p> <p>(2) For R5, we agree with the VSLs that are based on the number of entities not provided the SOLs and the number of days missing the scheduled delivery, but we do not agree with tying the VSLs to which sub-requirements are not met (similar comments on R1 and R2 of FAC-010). Suggest the SDT to revisit this. A possible way to change this is to make VSLs progressive depending on the number of sub-requirements in R5.1 that are not met.</p> <p>(3) For R6, we see a main requirement and two mutually exclusive sub-requirements. The main requirement is the PC "identify" the subset of multiple contingencies associated with stability limits. After doing that, the PC shall provide this list to the RC. Where the PC does not have any of these identified (note that the wording in R6.2 could be misinterpreted as the PC does not go through the identification process at all), then it shall inform the RC that there is none identified. We would expect that not going through the identification process would constitute a complete violation of this requirement. Having gone through the identification exercise, failing to provide RC the list or failing to inform the RC that there are no such contingencies identified would constitute a lesser degree of violation since the PC has already met the requirement to go through the identification exercise. With this rationale, we'd expect a Low, Medium or High or even Severe for not meeting either R6.1 or 6.2, depending on the number of affected parties not provided the list or notified of none found, as opposed to determining the VSL based on which of R6.1 and R6.2 not met. In other words, R6.1 and R6.2 should be treated equally, and the level of violation would depend on the extent to which (i.e. the number of) RCs are not provided the list or informed. The Severe level assigned to not identifying the subset is proper, but it needs to have another component that's caused by a high</p>
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		number of RCs that did not receive a list (R6.1) or notification (R6.2).
<p>Response: The drafting team will research the process of developing compliance guidelines.</p>		
<p>R5 - The subrequirements for R5.1 do not all provide an equal contribution in meeting the intent of the requirement. Please see the summary consideration above.</p>		
<p>R6 – The intent of Requirement R6 is not for the Planning Coordinator to identify the stability-related limits – the intent of this requirement is to deliver these limits to the Reliability Coordinator. If the Planning Coordinator develops the stability-related limits but never delivers them to the Reliability Coordinator, then the Reliability Coordinator does not have the limits to use in its real-time operation and the intent of the requirement is not met at all.</p>		
<p>IRC Standards Review Committee</p>	<p>No</p>	<p>(1) We commend the SDT for developing progressive (graded) VSLs for R1 to R4. However, it may be very difficult for a responsible entity to report via the self-certification process absent any guideline on what 1-25%, 26-50% etc. of "inconsistency" with SOL methodology really means. This can become a dispute when the Compliance Monitor conducts a site audit as well. A suggestion is to establish a compliance guideline for use by the Compliance Auditor and make this guideline a/v to those required to self report compliance. Alternatively (not preferred), the requirement can be treated as a binary type, i.e. either it is 100% consistent with the SOL methodology or be assigned a Severe VSL otherwise.</p> <p>(2) For R5, we agree with the VSLs that are based on the number of entities not provided the SOLs and the number of days missing the scheduled delivery, but we do not agree with tying the VSLs to which of the sub-requirements are not met (similar comments on R1 and R2 of FAC-010). Suggest the SDT to revisit this. A possible way to change this is to make VSLs progressive depending on the number of sub-requirements in R5.1 that are not met.</p> <p>(3) For R6, we see a main requirement and two mutually exclusive sub-requirements. The main requirement is the PC "identify" the subset of multiple contingencies associated with stability limits. After doing that, the PC shall provide this list to the RC. Where the PC does not have any of these identified (note that the wording in R6.2 could be misinterpreted as the PC does not go through the identification process at all), then it shall inform the RC that there is none identified. We would expect that not going through the identification process would constitute a complete violation of this requirement. Having gone through the identification exercise, failing to provide RC the list or failing to inform the RC that there are no such contingencies identified would constitute a lesser degree of violation since the PC has already met the requirement to go through the identification exercise. With this rationale, we'd expect a Low, Medium or High or even Severe for not meeting either R6.1 or 6.2, depending on the number of affected parties not provided the list or notified of none found, as opposed to determining the VSL based on which of R6.1 and R6.2 not met. In other words, R6.1 and R6.2 should be treated equally, and the level of violation would depend on the extent to which</p>

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		(i.e. the number of) RCs are not provided the list or informed. The Severe level assigned to not identifying the subset is proper, but it needs to have another component that's caused by a high number of RCs that did not receive a list (R6.1) or notification (R6.2).
<p>Response: The drafting team will research the process of developing compliance guidelines.</p> <p>R5 - The subrequirements for R5.1 do not all provide an equal contribution in meeting the intent of the requirement. Please see the summary consideration above.</p> <p>R6 – The intent of Requirement R6 is not for the Planning Coordinator to identify the stability-related limits – the intent of this requirement is to deliver these limits to the Reliability Coordinator. If the Planning Coordinator develops the stability-related limits but never delivers them to the Reliability Coordinator, then the Reliability Coordinator does not have the limits to use in its real-time operation and the intent of the requirement is not met at all.</p>		
Entergy	No	The Version History contains a note that "Cascading Outage" was changed to "Cascading". We suggest that note be removed since the change does not apply to this standard.
<p>Response: Agreed. The notation in the Version History was modified to remove the reference to changing "Cascading Outage" to "Cascading" as proposed.</p>		
FirstEnergy	No	<p>The following are potential issues with the VSL for FAC-014-1:</p> <ol style="list-style-type: none"> 1. R5 - The VSL do not address situations when the entities do not provide the subset of SOLs that are also considered potential IROLs. We suggest replacing the phrase "The responsible entity provided its SOLs" with "The responsible entity provided its SOLs (including the subset of SOLs that are IROLs) throughout the R5 VSLs where appropriate. 2. General - The main requirement number (ex. R5) does not need to be shown in parenthesis after the text of the VSL since the VSL table is arranged based on the main requirements. This is only useful if the VSL is geared toward a specific subrequirement (ex. R5.1).
<p>Response: The drafting team adopted the suggestion to add the clarifying text, "including the subset of SOLs that are IROLs" to all the VSLs in R5 as proposed.</p> <p>While the main requirement number is not needed when the VSLs are displayed in the table, the standards will eventually be entered into a database where this information may be helpful.</p>		
HydroOne Networks	No	<p>For the VSLs for requirements R1, R2, R3 and R4 we suggest only High and Severe VSLs. Example, High: "There are SOLs for the Reliability Coordinator Area, but from 1% to 50% of these SOLs are inconsistent with the Reliability Coordinator's SOL Methodology." Severe: "There are SOLs for the Reliability Coordinator Area, but more than 50% of these SOLs are inconsistent with the Reliability Coordinator's SOL Methodology." We suggest VSLs for R1, R2, R3 and R4 all follow the same pattern as the example provided.</p>

		<p>We find the VSLs for R5 to be well thought out but overly complex due to format of the requirement itself. We suggest breaking up the requirement into several requirements by isolating the responsible entity and their responsibilities.</p> <p>As well, for R6 we suggest a Severe VLS for violation of the "parent" requirement R6 and a High VSLs for violation of either sub-requirement R6.1 and R6.2. Example: HIGH: One of the following: The Planning Authority identified a list of multiple contingencies and associated stability limits, via studies, however the PA failed to provide these to the RC that monitors the facilities associated with those contingencies and limits.</p> <p>or (2) The Planning Authority, via studies, did not identify any stability-related multiple contingencies, however the PA failed to notify the RC of this outcome. SEVERE: The Planning Authority did not conduct studies to identify if a subset of multiple contingencies from the Standard TPL-003 result in stability limits.</p>
<p>Response: The drafting team did not adopt the proposed revision to R1, R2, R3, and R4. The proposed modifications would limit the variations in noncompliant performance that were identified in the set of VSLs. The drafting team had attempted to identify a full range of possible categories of noncompliant performance that uses as many of the four VSLs as practical.</p> <p>R5 – Although the VSLs are complex, they address the range of noncompliant performance associated with Requirement R5.</p> <p>R6 - The intent of Requirement R6 is not for the Planning Coordinator to identify the stability-related limits – the intent of this requirement is to deliver these limits to the Reliability Coordinator. If the Planning Coordinator develops the stability-related limits but never delivers them to the Reliability Coordinator, then the Reliability Coordinator does not have the limits to use in its real-time operation and the intent of the requirement is not met at all. Please see the summary consideration.</p>		
ATC	No	<p>VSL's for R5</p> <p>Requirement 5 specifies that the RC, PA and TP provide its SOLs to those entities that have a reliability-related need for those limits and provide a written request that includes a schedule for delivery of those limits.</p> <p>Suggested Modification: Have only one VSL in the Moderate level that states the following:</p> <p>The RC, PA or TP did not provide its SOLs to those entities that have a reliability-related need for those limits per the schedule.</p>

Response: The proposed modifications would limit the variations in noncompliant performance that were identified in the set of VSLs and the proposed modifications don't support the default criteria for assigning VSLs. An entity that fully misses complying with a requirement has a "Severe" violation severity level. The drafting team had attempted to identify a full range of possible categories of noncompliant performance that uses as many of the four VSLs as practical.

An entity that does not provide its SOLs to the entities that need them is fully noncompliant – which is classified as a "Severe" VSL.

SERC EC Planning Standards Subcommittee	Yes	
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If you have any other comments on the revised SAR or standards that you haven't already made in response to the first four questions, please provide them here.

NPCC Regional Standards Committee, RSC	(1) FAC-010: There is still a "Cascading outages" in R2.2, and a couple of places where the word "Outages" has been deleted but the letter "o" is still there. (2) FAC-011: A footnote 2 is referenced in R2.3 but we are unable to find it.
<p>Response: The word, "outages" was removed from R2.2 and the two extra "o's" in the WECC Regional Variance have been removed. The reference to the footnote was a typographical error and has been removed.</p>	
Northeast Utilities	(1) FAC-010: There is still a "Cascading outages" in R2.2, and a couple of places where the word "Outages" has been deleted but the letter "o" is still there. (2) FAC-011: A footnote 2 is referenced in R2.3 but we are unable to find it.
<p>Response: The word, "outages" was removed from R2.2 and the two extra "o's" in the WECC Regional Variance have been removed. The reference to the footnote was a typographical error and has been removed.</p>	
Ontario IESO	(1) FAC-010: There is still a "Cascading outages" in R2.2, and a couple of places where the word "Outages" has been deleted but the letter "o" is still there. (2) FAC-011: A footnote 2 is referenced in R2.3 but we are unable to find it.
<p>Response: The word, "outages" was removed from R2.2 and the two extra "o's" in the WECC Regional Variance have been removed. The reference to the footnote was a typographical error and has been removed.</p>	
IRC Standards Review Committee	(1) FAC-010: There is still a "Cascading outages" in R2.2, and a couple of places where the word "Outages" has been deleted but the letter "o" is still there. (2) FAC-011: A footnote 2 is referenced in R2.3 but we are unable to find it
<p>Response: The word, "outages" was removed from R2.2 and the two extra "o's" in the WECC Regional Variance have been removed. The reference to the footnote was a typographical error and has been removed.</p>	
Salt River Project	FAC-010-2 R2.2 and R2.5 use the capitalized word "Cascading". This appears to be a typo; perhaps "Cascading Outages" was intended or was "cascading" not meant to be capitalized? FAC-011-2 R2.2 uses the capitalized word "Cascading". This appears to be a typo; perhaps "Cascading Outages" was

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	intended or was "cascading" not meant to be capitalized?
<p>Response: The word, "Cascading" is a defined term in the approved NERC Glossary of Terms Used in Reliability Standards, thus it is capitalized.</p>	
SERC OC Standards Review Group	<p>None of the requirements in FAC-10, 011 or 014 have VRS or time horizons identified.</p> <p>In FAC-011, R 2.3.2, the following language that was previously removed has been reinserted - "e.g., load greater than studied" - and should be removed.</p> <p>In FAC-010, Requirement 2.2, the word "outages" should be deleted - it is not a part of the definition for "Cascading."</p>
<p>Response Making modifications to VRFs and Time Horizons is outside the scope of the SAR. The drafting team removed the example, "e.g., load greater than studied" from R2.3.2 as proposed. The word, "outages" was removed from R2.2 as noted.</p>	
OPPD	In FAC-010, the word "outages" still needs to be removed from R2.2, and the letter "o" needs to be removed from E1.2.2 and E1.3.1.
<p>Response: The word, "outages" was removed from R2.2 as noted – and the extra "o" was removed from both E1.2.2 and E1.3.1.</p>	
SPP Operating Reliability Working Group	<p>In FAC-010, R2.2 and R2.5 and FAC-011, R2.2 cascading outages should not be capitalized indicating it is a defined term.</p> <p>In FAC-010, R2.3 a reference is made to Footnote 2 but the footnote is missing. In FAC-011, R2.3 remove the Footnote 2 since the footnote itself has been deleted.</p>
<p>Response: The word, "Cascading" is a defined term in the approved NERC Glossary of Terms Used in Reliability Standards, thus it is capitalized. The drafting team had intended to remove the word, "outage" from the standard – and in the final set of revisions, did remove the word, "outage" from R2.2.</p> <p>The erroneous reference to a footnote has been removed from R2.3 in both FAC-010 and FAC-011.</p>	
FirstEnergy	1. Since the ATFN SDT is in the process of consolidating TPL-001 through TPL-004, it may help to revise FAC-010 R2.5 & R2.6 and FAC-011 R6 to be more general and remove specific reference to TPL-003. We suggest replacing the phrase "Reliability Standard TPL-003" with "the TPL series of reliability standards".
<p>Response: NERC has already committed to modifying the FAC standards when the TPL standards are approved – we expect the implementation plan for the TPL standards to include specific changes to specific FAC standards – with a recommendation that the changes to the FAC standards become effective at the same time the changes to the TPL standards become effective.</p>	
HydroOne Networks,	We noticed some change control/editorial errors that may have been

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<p>Inc.</p>	<p>overlooked. They include: FAC-010-2: R2.2 remove the word "outage" completely. FAC-010-2: R2.3 remove the reference to the second footnote after the word "following" FAC-011-2: R2.3 remove the reference to the second footnote after the word "acceptable" FAC-011-2: R2.3.2 remove "e.g., load greater than studied" as stated in the Consideration for Comments for Version 1 of the SAR As well, Violatin Risk Factors and Time Horizons need to be established and reviewed for these standards.</p>
<p>FAC-010-2: R2.2 - The word, "outages" was removed from R2.2 as noted. FAC-010-2: R2.3 and FAC-011-2: R2.3 – the erroneous references to footnotes were removed as noted. FAC-011-2: R2.3.2 - The drafting team removed the example, "e.g., load greater than studied" from R2.3.2 as proposed. Making modifications to VRFs and Time Horizons is outside the scope of the SAR.</p>	
<p>ATC</p>	<p>Comments on the SAR:</p> <p>Issue 1: The SAR states that the phrase "i.e. load greater than studied" in FAC-011-1 R2.3.2 will be deleted but this was not shown in either the red-line or clean version of the standard.</p> <p>Is is still the intention of the SDT to removed this phase?</p> <p>Issue 2: NERC's BOT has already overturn their earlier approval for the term "Cascading Outage".</p> <p>The following Statement appears in NERC's Glossary of Terms:</p> <p>"On December 27, 2007, the FERC remanded the definition of "Cascading Outage" to NERC. On February 12, 2008, the NERC Board of Trustee withdrew its November 1, 2006 approval of that definition, without prejudice to the ongoing work of the FAC standards drafting team and the revised standards that are developed through the standards development process. Therefore, the definition is no longer in effect.</p>

With the NERC BOT withdraw of their prior approval and the FERC remand ATC does not believe that the SAR needs to address this definition. The only thing that the SAR must address is the term "Cascading Outage" is used in FAC-010, FAC-011 and FAC-014.

Why does the SDT believe that they have to address a definition issue when both NERC BOT and FERC have not approve the definition?

Question on what will be replacing the term "Cascading Outage":

In FAC-010-1 Requirement 2.2 (redline version) the SDT is proposing to replace term "Cascading Outage" with the phrase "Cascading outage" but in requirement 2.5 the SDT is replacing it with only the term "Cascading".

Is it the intention of the SDT to replace the term "Cascading Outages" with the phrase "Cascading outages" or only with the term "Cascading"?

It's ATC's preference that the term "Cascading Outages" be replaced with the term "Cascading".

Response:

The phrase, "load greater than studied" has now been removed from both FAC-010 and FAC-011.

The BOT is waiting for the drafting team to bring them evidence that stakeholders approve the removal of the term, "Cascading Outages."

The term, "Cascading Outages" has been replaced throughout FAC-010 and FAC-011 with the term, "Cascading".